

HOUSE JOINT RESOLUTION 400
By Bowers

A RESOLUTION relative to the U.S. Treasury Electronic Benefits
Transfer (EBT) Procurement Method.

WHEREAS, the Tennessee Black Caucus of State Legislators was formed to cooperate in the advancement of the common interests of their constituents and of all the citizens of Tennessee; and

WHEREAS, the Black Caucus is monitoring all developments related to the current welfare reform movement occurring in state and federal government; and

WHEREAS, a Federal Electronic Benefits Transfer (EBT) Task Force was established by Vice President Albert Gore, Jr., to create an electronic method for the payment of government benefits; and

WHEREAS, the Food Stamps Program and Aid to Families with Dependent Children (AFDC), (a cash benefits program that provides assistance to recipients in Tennessee, many of which are constituents of the Black Caucus), have been included in the plans of the Task Force; and

WHEREAS, the U.S. Treasury is conducting a systems and services procurement pursuant to the plans of the Task Force; and

WHEREAS, the Southern Alliance of States (SAS), which includes Tennessee, is to be the partner with the Task Force in the implementation of the EBT System being procured by the U.S. Treasury under this Invitation for Expression of Interest (IEI) process; and

WHEREAS, the methodology adopted by the Task Force causes an unnecessary and unprecedented expense burden to be placed on AFDC recipients in the form of fees; and

WHEREAS, the methodology adopted by the Task Force causes extreme hardship to the recipient community by requiring the use of automated teller machines (ATM) as the vehicle to receive cash benefits, even though these machines are not readily accessible; and

WHEREAS, the IEI process limits competition by only allowing banks to bid as prime contractors, despite their poor performance under the Community Reinvestment Act (CRA); and

WHEREAS, the IEI procurement process has no provisions for minority business participation, nor does it ensure the participation of local Tennessee banks; and

WHEREAS, alternative and efficient methods of EBT which do not result in additional expense and hardship have been demonstrated in other states; and

WHEREAS, the Tennessee Legislative Black Caucus has recommended that the State of Tennessee comply with all federal rules, regulations, procedures and state statutes pursuant to the implementation of Title VI of the Civil Rights Act of 1964; now, therefore;

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-NINTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, That this General Assembly hereby expresses its opposition to the participation of Tennessee in the SAS joint procurement of EBT services with the U.S. Treasury Department and hereby recommends that the executive branch, via the Department of Human Services and Department of Finance and Administration, adopt the same position.

BE IT FURTHER RESOLVED, That, in recognition of the advantages of EBT, this General Assembly recommends that the State of Tennessee initiate a state RFP process for an EBT system especially designed to address the issues indicated above.

BE IT FURTHER RESOLVED, That a certified copy of this resolution be transmitted to the Honorable Don Sundquist, Governor of the State of Tennessee, and to the Commissioners of Finance and Administration and Human Services.